

What Health Care Reform Means For You

FOR THE VALLEY:

- No discrimination against people with pre-existing conditions
- Children can stay on their parents' insurance until they're 26
- Ban on insurance plans dropping you if you get sick
- Ban on lifetime coverage limits and caps out-of-pocket expenses
- Tax cuts for 156,000 middle class households in the district to pay for coverage

FOR SENIORS:

- Closing the Medicare Part D donut hole
- Extends the solvency of the Medicare Trust Fund from 2017 to 2026
- Free preventive care under Medicare – no co-payments and deductibles
- Help for early retirees – temporary coverage for ages 55-64

FOR WOMEN:

- Ban on gender rating that results in higher premiums for women
- Eliminates all co-pays and deductibles for preventive services like mammograms
- No discrimination for pre-existing conditions such as having had a C-section or being the victim of domestic violence

FOR SMALL BUSINESSES:

- \$40 billion in tax credits for small businesses to help them offer employee coverage
- 9,700 small businesses in the district qualify for tax credits of up to 50% of the costs of

providing insurance

- The same access to quality, affordable coverage that larger firms have
- Lower administrative costs and stable pricing from year to year

For more information on how healthcare reform affects you, including resources for state insurance plans and updates on the new health insurance exchange system, please visit www.healthcare.gov

Health Care Benefits Taking Place This Year

SMALL BUSINESS TAX CREDITS— Offers tax credits of up to 35 percent of employer premium contributions for those small businesses that choose to offer coverage. Beginning in 2014, offers credits of up to 50 percent of employer premium contributions, for up to two years.

NO DISCRIMINATION AGAINST CHILDREN WITH PRE-EXISTING CONDITIONS—Prohibits all employer plans and new plans in the individual market from denying coverage to children with pre-existing conditions.

IMMEDIATE HELP FOR THE UNINSURED WITH PRE-EXISTING CONDITIONS—Provides immediate access to insurance for Americans who are uninsured because of a pre-existing condition - through a temporary high-risk pool – until the Exchanges are up and running in 2014.

NO RESCISSIONS—Bans all health plans from dropping people from coverage when they get sick.

NO LIFETIME LIMITS ON COVERAGE—Prohibits all health plans from placing lifetime caps on coverage.

BEGINS TO CLOSE THE MEDICARE PART D DONUT HOLE—Provides a \$250 rebate to those Medicare beneficiaries who hit the donut hole in 2010. Beginning in January 2011, there is a 50% discount on prescription drugs in the donut hole. (Also completely closes the donut hole by 2020.)

FREE PREVENTIVE CARE UNDER MEDICARE—Eliminates co-payments for preventive services and exempts preventive services from deductibles under the Medicare program.

HELP FOR EARLY RETIREES—Creates a temporary re-insurance program (until the Exchanges are available) for employer health plans providing coverage for early retirees, helping to protect coverage while reducing premiums for employers and early retirees age 55-64.

EXTENDING COVERAGE FOR YOUNG PEOPLE UP TO 26TH BIRTHDAY THROUGH PARENTS' INSURANCE – Requires plans to allow young people up to their 26th birthday to remain on their parents' insurance policy, at the parents' choice.

Health Care Reform Q & A

Q: I currently have an insurance plan that works. How will the new health care law affect me?

A: Health reform protects existing coverage, and encourages employers to maintain it. It also improves current coverage by strengthening consumer protections. These include prohibiting insurance companies for discriminating against patients for pre-existing conditions and dropping coverage when you need it the most. It also provides tax cuts to make health care more affordable for families and businesses. In addition, the new health care law will make insurance more accessible to those without coverage which will cut down on the additional \$1,100, on average, in premiums families pay each year to cover the health care costs for the uninsured.

Q: I can't get insurance because I have a pre-existing condition. What will the new health care law do for me?

A: Under the new health care law, insurance companies will be prohibited from refusing to insure people who have had cancer, heart disease, diabetes, or another pre-existing condition. Taking place immediately, a temporary high-risk pool will provide immediate access to insurance for Americans who are uninsured because of a pre-existing condition. Insurance companies will also be immediately prohibited from denying coverage to children with pre-existing conditions. The temporary high-risk pool will be in place until the new health care exchanges are up and running in 2014, when the prohibition on denials will apply to all

insurance plans.

Q: Will my Medicare benefits be cut?

A: No. Instead, Medicare benefits will be increased, including a free yearly physical and free preventative care, cheaper brand-name drugs, and the closing of the Medicare prescription drug gap in coverage known as the “donut hole.” Reform will also strengthen Medicare in the long-term, extending its solvency by nine years.

Q: Will my TRICARE or military health benefits be affected?

A: No. TRICARE and health care for veterans will not be affected or change.

Q: How will the health care law affect the deficit?

A: The nonpartisan Congressional Budget Office estimates that the bill cuts the deficit by \$143 billion over the next ten years and by \$1.2 trillion in the following decade.

Q: I can't get insurance because I have a pre-existing condition. What will health care reform mean for me?

A: Under the new health reform law, insurance companies will be prohibited from cherry-picking their policy-holders by refusing to insure people who have had cancer, heart disease, diabetes, or another pre-existing condition--or for using that excuse to deny coverage of services or charge excessively high premiums. Six months after enactment, a temporary high-risk pool will provide immediate access to insurance for Americans who are uninsured because of a pre-existing condition, and insurance companies will be prohibited from denying coverage to children with pre-existing conditions. The risk-pool will be in place until the exchanges are up and running. Beginning in 2014, the prohibition on denials will apply to all insurance plans.

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Q: Will my medicare benefits be cut?

A: No. Reform does not cut any guaranteed Medicare benefits. Rather benefits will be increased, including a free yearly physical and free preventive care, cheaper brand-name drugs, and the closing of the Medicare prescription drug gap in coverage known as the "donut hole." Reform will also strengthen Medicare in the long term, extending its solvency by nine years. To do that, reform ends overpayments to private insurance companies participating in the Medicare Advantage system. Those companies pocket more than \$12 billion in overpayments every year. And every American taxpayer subsidizes those companies' profits.

Q: How can we afford health reform when the federal government is running deep deficits?

A: Health reform is the greatest deficit reduction measure since the Clinton budgets of the

1990s, which led to a strong economy and surpluses. The nonpartisan Congressional Budget Office (CBO) estimates that the bill cuts the deficit by \$143 billion over the next 10 years and by \$1.2 trillion in the following decade. CBO also estimates that, for families, premiums for comparable coverage will be lower under reform.